

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 21, 1999

Bernard Neal Ackerman, Treasurer Spratt for Congress Committee P.O. Box 830 York, SC 29745

RE: MUR 4811

John Spratt for Congress Committee and Bernard Neal Ackerman, as treasurer

Dear Mr. Ackerman:

On June 15, 1999, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on the committee's behalf in settlement of a violation of 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Chapters 95 and 96 of Title 26, <u>U.S. Code</u>. Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Clinett Short

Paralegal Specialist

Enclosure
Conciliation Agreement

cc: Honorable John McKee Spratt, Jr.

In the Matter of)	MHD- 4911	IID. 4011	MMISSION
John Spratt for Congress Committee and Bernard Neal Ackerman, as treasurer)))	MCK. 4611	PH *99	TION

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Trey Walker.

Executive Director of the South Carolina Republican Party. The Federal Election Commission ("Commission") found reason to believe that John Spratt for Congress Committee and Bernard Neal Ackerman, as treasurer, violated 2 U.S.C. § 441d(a).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
 - III. Respondents enter voluntarily into this agreement with the Commission.
 - IV. The pertinent facts in this matter are as follows:
- 1. The John Spratt for Congress Committee, the principal campaign committee for Representative John M. Spratt (5" District, South Carolina), is a political committee within the meaning of 2 U.S.C. § 431(4)

- 2 Bernard Neal Ackerman is the treasurer of the respondent committee.
- 3. Pursuant to 2 U.S.C. § 441d(a), all expenditures for communications which expressly advocate the election or defeat of a clearly identified candidate, or expenditures to solicit any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, must contain a disclaimer. Pursuant to Section 441d(a), the disclaimer must clearly state the identity of the person or committee who paid for the communication and whether the communication was authorized by the candidate or the candidate's committee.
- 4. According to 11 C.F.R. § 110.11(a)(1), the disclaimer shall be presented in a clear and conspicuous manner. A disclaimer is not clear and conspicuous if the printing is difficult to read or if the placement is easily overlooked. The disclaimer need not appear on the front of the communication as long as it appears within the communication, except on communications such as billboards that contain only a front face. 11 C.F.R. § 110.11(a)(5)(i).
- 5. During the 1996 election cycle respondents purchased yard signs and road signs from Screen Art Inc. expressly advocating the election of John Spratt to U.S. Congress which lacked the proper disclaimer.
- 6. Respondents distributed some portion of these yard and road signs which lacked the proper disclaimer during the 1996 election cycle.
- 7. At some point during the 1996 election, respondents became aware that the yard signs and road signs lacked the proper disclaimer. Respondents contacted Commission staff, and were advised that the signs could be corrected by stamping an appropriate authorization on the face of the sign. Respondents took this corrective action as to some, but not all, of the signs.

- 8. Some of the yard signs and road signs lacking the proper disclaimer were collected after the 1996 election, and redistributed during the 1998 election.
- V. Respondents failed to place disclaimers on the campaign signs which expressly advocated the election of a clearly identified candidate in violation of 2 U.S.C. § 441d(a).
- VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of two thousand dollars (\$2.000), pursuant to 2 U.S.C. § 437g(a)(5)(A).
- VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.
- VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.
- IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble General Counsel

BY:

Lois G. Verner

Associate General Counsel

6/21/99 Date

FOR THE RESPONDENT:

(Name)

(Position)

May 24, 1999 Date